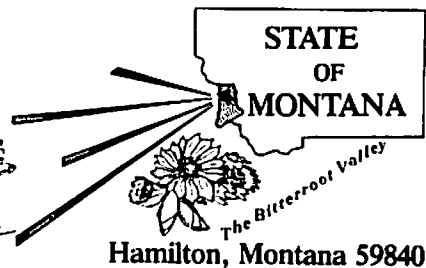
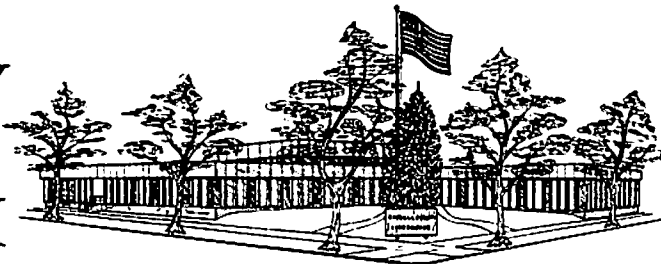


COUNTY OF RAVALLI



Ravalli County Commissioners
215 South 4th Street, Suite A
Hamilton, MT 59840

December 3, 2007

John Tubbs, Administrator
Water Resources Division
Montana Department of Natural Resources and Conservation
P.O. Box 201601
Helena, MT 59620-1601

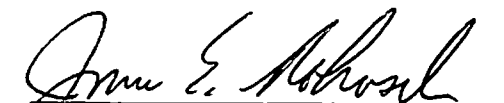
Dear Mr. Tubbs:

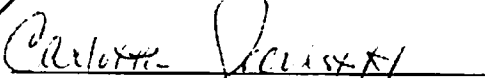
We are aware of the state initiative to contract with the United States Bureau of Reclamation for water stored in Hungry Horse reservoir to support new consumptive water uses in the Clark Fork River basin as well as uses based on water rights junior to the lower basin hydropower water rights.


The Ravalli County Commission sees no problem with this initiative. Given the population growth occurring in the basin, which is expected to continue for the foreseeable future, provision must be made to provide for new water demands. Acquiring water now stored in Hungry Horse for use by Montanans appears to be a reasonable way to proceed.


We ask that the Clark Fork Task Force and the DNRC continue to keep Ravalli County informed as this initiative progresses. Thank you.

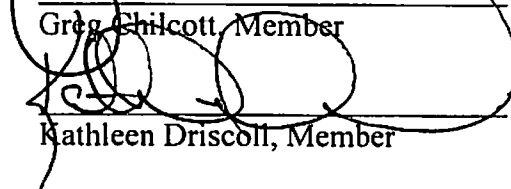
Sincerely,


James E. Rokosch, Chairman


Carlotta Grandstaff, Vice-Chairman


Alan Thompson, Member


Greg Chilcott, Member


Kathleen Driscoll, Member

DRAFT

November 6, 2007

John Tubbs
Administrator
Water Resources Division
Montana Department of Natural Resources and Conservation
P.O. Box 201601
Helena, MT 59620-1601

Harvey Hackett
* 777-3214

wants it w/in 2 weeks

Dear Mr. Tubbs:

We are aware of the state initiative to contract with the United States Bureau of Reclamation for water stored in Hungry Horse reservoir to support new consumptive water uses in the Clark Fork River basin as well as uses based on water rights junior to the lower basin hydropower water rights.

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We ask that the Clark Fork Task Force and the DNRC continue to keep ^{RAVALLI} Missoula County informed as this initiative progresses.

Thank you.

Sincerely,

Ravalli County Commissioners

CC: Clark Fork Task Force
C/O Gerald Mueller
440 Evans
Missoula, MT 59801

Keep us informed -

Del's

Commiss
want to
do?

Hungry Horse Project Summary

October 2007

Background

- The Clark Fork River Basin faces a water supply challenge.
- Except for federal reserved water rights, no provision has been made in the Clark Fork River basin to reserve water for future use.
- Lower basin hydropower water rights are not filled most of the time.
- Except during periods when the hydropower rights are filled, 6 to 8% of the time in wet years, surface water and ground water connected to surface water is unlikely to be legally available in the basin for future appropriation.
- Water use based on a water right junior to the hydropower rights are at risk much of the time.
- Hungry Horse Reservoir, located near the top of the basin on the South Fork of the Flathead River, was constructed and is operated by United States Bureau of Reclamation (BOR) "(f)or the purpose of irrigation and reclamation of arid lands, for controlling flood, improving navigation, regulating the flow of the South Fork of the Flathead River, for the generation of electric energy and for other beneficial uses primarily in the State of Montana, but also for downstream uses."¹
- In its water rights filing with the Montana Water Court, BOR claimed 3.5 million acre-feet of storage for future sales.
- The BOR has not issued any contracts for Hungry Horse water.
- Regardless of whether Tribal water rights have a priority of 1855, or time immemorial, their rights will be the senior rights in the basin.
- Under state water law, the operation of Hungry Horse cannot adversely affect Tribal rights, because Tribal rights are senior.
- Once water is stored by the BOR in Hungry Horse Reservoir, the BOR can issue contracts for the stored water without adversely affecting any water rights. (Users downstream of Hungry Horse with unfilled senior rights can make call on the flow of the South Fork of the Flathead to prevent water from being stored. However, once it is stored, the BOR can sell the water by contract.)

Task Force Proposal

- In the *Clark Fork Basin Water Management Plan*, the Clark Fork Task Force proposed that stored Hungry Horse water be used to meet new basin uses and to protect water uses based on water rights junior to the lower basin hydropower rights from calls by the hydropower utilities.
- The state would provide for both purposes by contracting with BOR for stored Hungry Horse water and by leasing the contract water to Clark Fork River basin water users.

Legislative Actions

- The 2005 Legislature passed resolution urging DNRC to enter into negotiations with the BOR to determine the availability and cost of water stored behind Hungry Horse Dam for which the State of Montana might contract to support future water development and existing water use in the Clark Fork River basin.
- The 2007 Legislature appropriated \$260,000 to pay for the first step in the BOR contracting process, a study to reallocate the costs of the Hungry Horse project to new project purposes, supplying water for municipal, industrial and irrigation uses.

DNRC Analysis

- DNRC staff recently recommended that for the purpose of the BOR cost reallocation study, that the state seek an amount of water from 50 to 100 thousand acre-feet (kaf) for new municipal and industrial water uses in the Clark Fork River basin through 2060.
- The Task Force recommended seeking the top end of the range, 100 kaf.

¹US Code Title 43, Chapter 12, Subchapter XVII, Section 593a

Clark Fork River Basin Task Force

The Task Force was created in 2001 pursuant to a state statute (85-2-350). The statute directed the Task Force to prepare a water management plan for the Clark Fork River basin that identifies options to protect the security of water rights and provide for the orderly development and conservation of water in the future. The Task Force adopted the *Clark Fork Basin Watershed Management Plan (Plan)* in September 2004. Most of the *Plan* was included in a section of the State Water Plan in January 2005.

Members of the Task Force are:

Name	Organization	Area/Interest Represented
Marc Spratt	RLK Hydro	Flathead Basin above Flathead Lake
Nate Hall	Avista	Hydropower Utilities
Holly Franz	PPL Montana	Hydropower Utilities
Matt Clifford	Clark Fork Pend Oreille Coalition	Conservation/Environment
Ted Williams	Flathead Lakers	
Gail Patton	Sanders County Commissioner	Basin Local Governments
		Clark Fork River Watershed below Flathead River confluence
Arvid Hiller	Mountain Water Company	Municipal water companies and the Clark Fork River Watershed between the confluence of the Blackfoot River and the Clark Fork River and the confluence of the Clark Fork River and the Flathead River
Elna Darrow	Flathead Basin Commission	Flathead Lake
Steve Hughes	Joint Board of Control	Flathead River watershed below Flathead Lake to the confluence with the Clark Fork River
Harvey Hackett	Bitter Root Water Forum	Bitterroot River watershed
Fred Lurie	Blackfoot Challenge	Blackfoot River watershed
Jim Dinsmore	Granite Conservation District & Upper Clark Fork River Basin Steering Committee	upper Clark Fork River watershed
Verdell Jackson, <i>Ex Officio</i>	State Representative	House District 6
Joey Jayne <i>Ex Officio</i>	State Representative	House District 15
Jim Shockley <i>Ex Officio</i>	State Senator	Senate District 45